# GSA Industry Brief

"Business Model Overview"

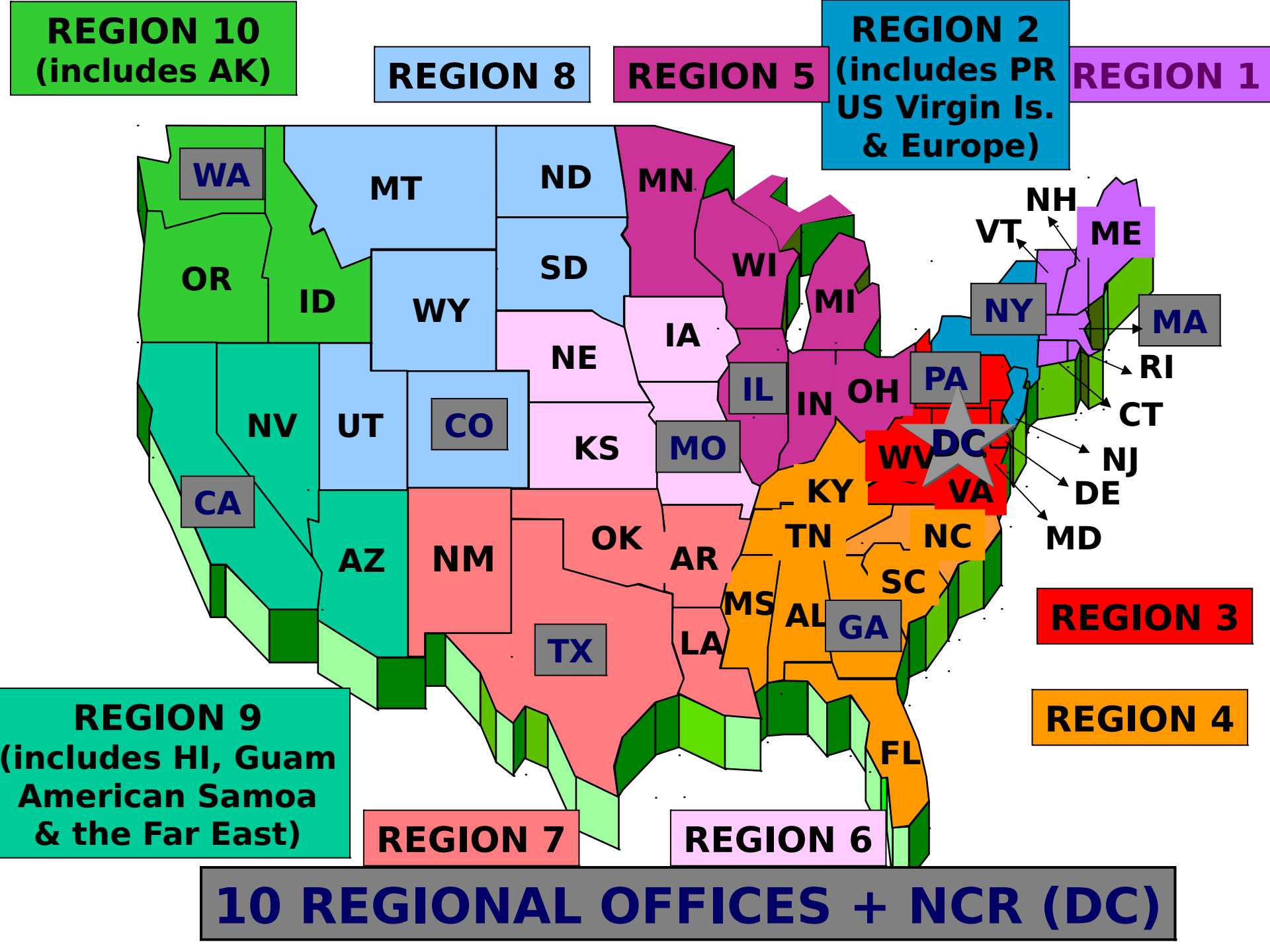
For

The Use of Blanket Purchase Agreements

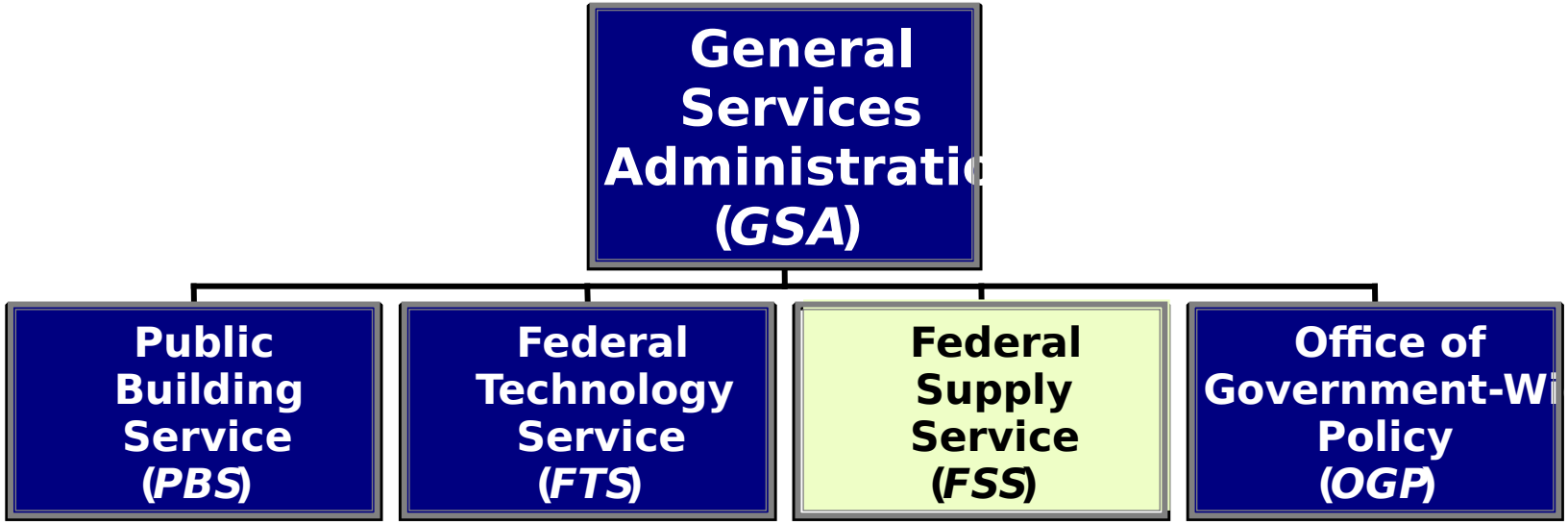
with Federal Supply Schedule Contractors

# Agenda

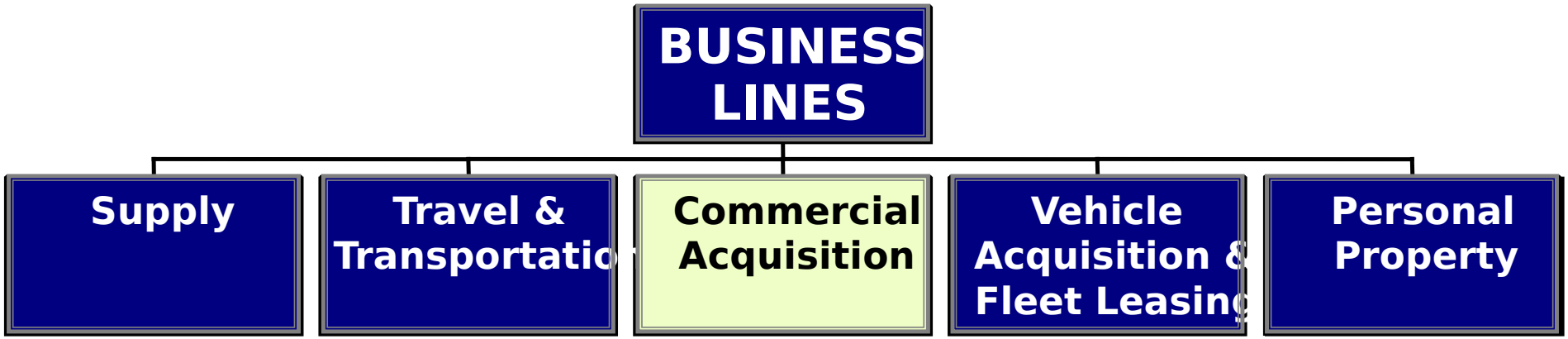
- GSA Overview and Schedule Basics
- Business Model Overview
  - Blanket Purchase Agreements (BPA)
  - Contractor Teaming Arrangements (CTA)
- GSA Schedules
  - Professional Engineering Services (PES) - Schedule 871
  - Logistics Worldwide (LOGWORLD) - Schedule 874V
  - Management Organizational, and Business Improvement Services (MOBIS) - Schedule 874
  - Information Technology (IT) - Schedule 70
- Question and Answers


REGION 10
(includes AK)
REGION 8
REGION 5
REGION 2
(includes PR
US Virgin Is.
& Europe)
REGION 1
WA
MT
ND
MN
OR
ID
SD
WI
MI
WY
NY
MA
IA
NE
IL
IN
OH
PA
RI
NV
UT
CO
KS
MO
CT
DC
WV
NJ
CA
KY
VA
DE
TN
NC
MD
AZ
NM
OK
AR
SC
MS
AL
GA
REGION 3
TX
LA
REGION 9
(includes HI, Guam
American Samoa
& the Far East)
REGION 4
FL
REGION 7
REGION 6
10 REGIONAL OFFICES + NCR (DC)

# Organization Structure


General Services Administrati (GSA)
Public Building Service (PBS)
Federal Technology Service (FTS)
Federal Supply Service (FSS)
Office of Government-Wi Policy (OGP)

# Federal Supply Service



# The Federal Supply Schedule Program

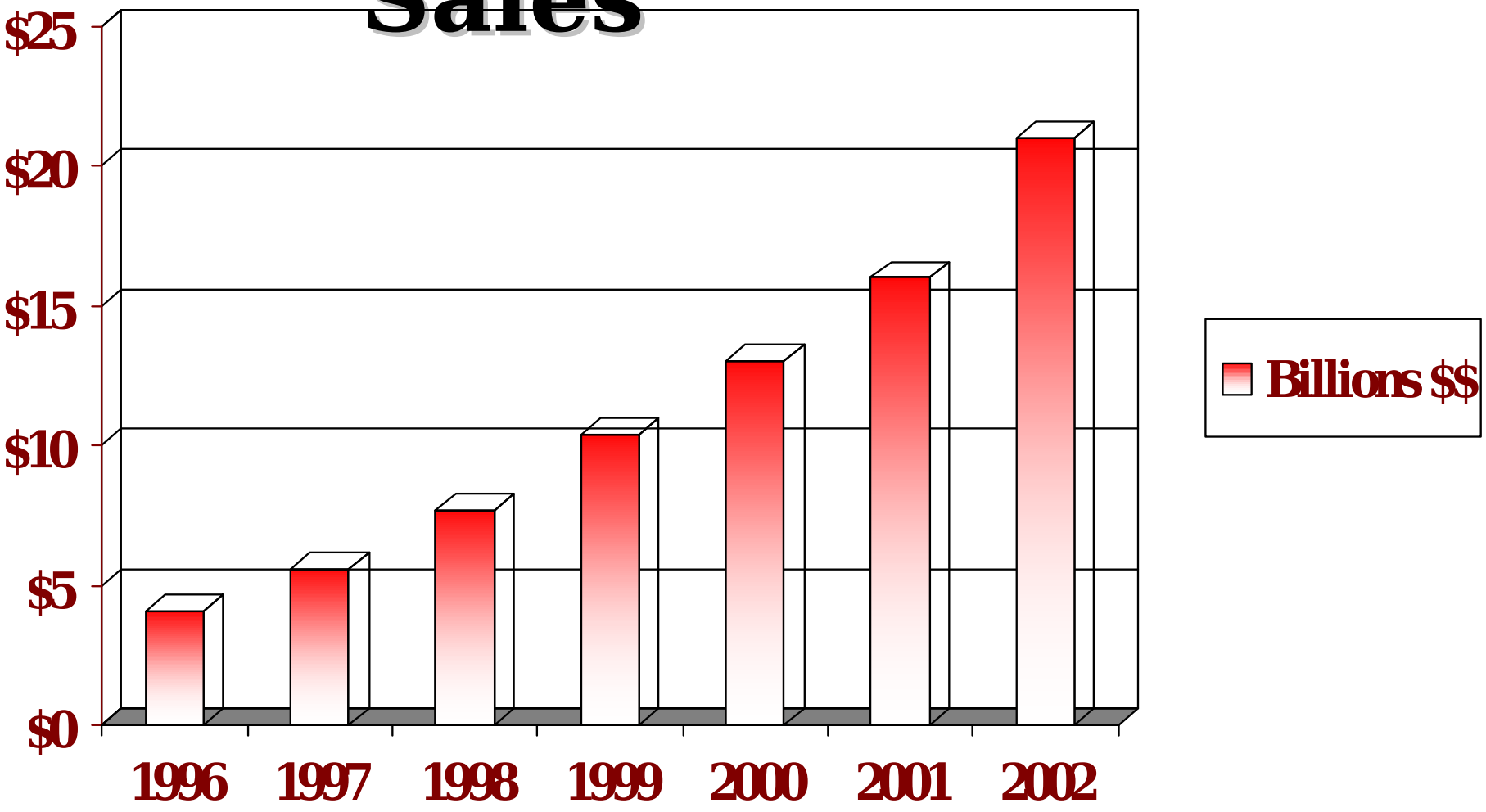
41 U.S.C. 259(b)(3)(A), FAR Part 8.4 & FAR Part 38

- Simplified process of acquiring commonly used supplies and services at prices associated with volume pricing
- Indefinite-Delivery Contract:
  - Flexibility in both quantities and delivery scheduling
  - Ordering of supplies or services after requirements materialize
- GSA Advantage
  - On-line Shopping Service
- E-Buy
  - Electronic RFI/RFQ
- Limitations
  - No Cost Contracts
  - No Construction

# Schedule Advantages

- Existing base of qualified contractors
- Negotiated prices
- Contract Terms and Conditions Established
- CICA compliant
- Reduced Procurement Lead Time
  - 49 days to establish BPA under GSA Schedule
  - 15 days to issue order under a Schedule contract
  - 13 days to issue an order under a Schedule contract with BPA
- Flexible Contract Arrangements

# Schedule Sales



# Socioeconomic Profile – Sales Breakdown

**FY 01**

| | | |
|---|---|---|
| **Small Business** | **33.6%** | **5.5 B** |
| **Small Disadvantaged** | **8.9** | **1.5 B** |
| **Woman-Owned, Small** | **4.5** | **744.3 M** |
| **8 (a)** | **1.5** | **249.8 M** |
| **Veteran Owned Small** | **.5** | **207.0 M** |

**FY 02 YTD**

| | | |
|---|---|---|
| **Small Business** | **34.2%** | **7.2 B** |

# Ordering Procedures

FAR Part 8.404

- G-FSS-920 Ordering Procedures for Services (Requiring a Statement of Work)
  - Takes precedence over the procedures in FAR 8.404 (b)(2) through (b)(3)
- Ordering Offices shall
  - Prepare a RFQ
    - Preference for a performance based SOW
    - Contract Type
    - Identify basis for source selection
  - Transmit the RFQ
  - Evaluate Responses and Select Contractor
- Authorizes the use of BPA’s for Recurring Services

# Terms and Conditions

- Industrial Funding Fee
  - A fee paid by Federal Agencies through the Vendor to GSA
  - Designed to recoup costs of FSS program
  - 1% fee going to .75% in Jan 04
- Contractor's Report of Sales Clause
  - Requires reporting the "quarterly dollar value" of sales by calendar quarter
  - Requires "Close-out Report" within 120 days after expiration of Schedule contract

# Incidental Items and Other Direct Costs

- Open Market/Non-Schedule Items may be added to the Task Order
- Must be clearly labeled on the order
- All applicable acquisition regulations must be followed
- Items not subject to the GSA Industrial Funding Fee
- If ODC is greater than $550K Cost & Pricing data may be obtained IAW 15.403-4
- Cost-reimbursement may be placed on Task Order for ODC’s

# Ordering Office Is In Control

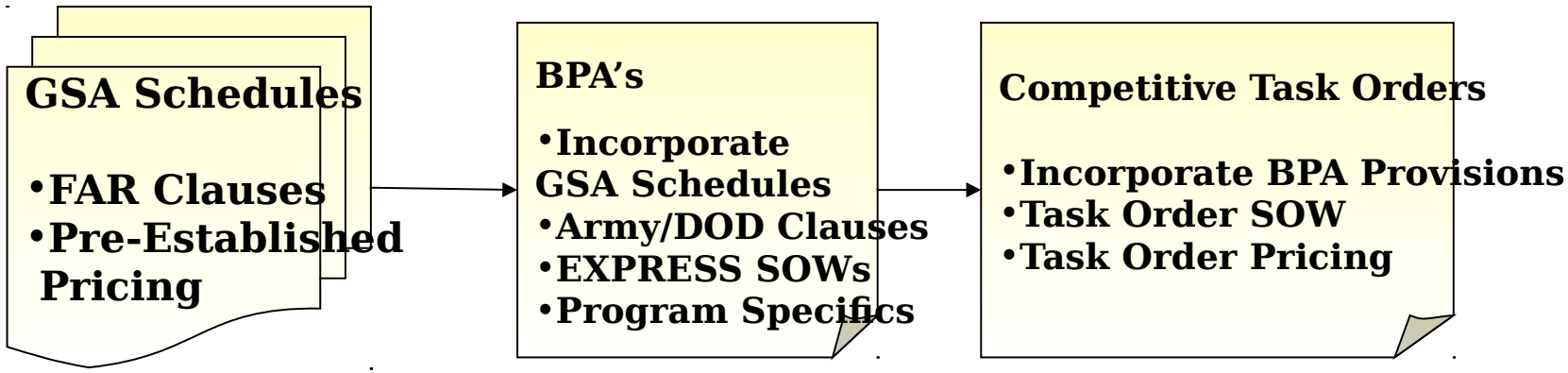
- **Acquisition Planning and Market Research**
  - **Describe Your Requirement**
  - **Develop Your Statement of Work**
  - **Determine Contract Arrangement**
  - **Consider Sources Sought/Request For Information**
  - **Consider Using a Contractor Teaming Arrangement or Blanket Purchase Agreement**
  - **Develop Your Source Selection Criteria**
  - **Publish Your RFQ**
  - **Evaluate Responses**
  - **Select Successful Offeror**

# Becoming a MAS Schedule Partner

- **Obtain Solicitation** from www.FedBizOpps.gov
- **Complete Solicitation** - provide information requested
- **Submit/Mail** to address specified
- **Evaluation** - respond to request for additional information

- **Negotiation -** Successfully negotiate prices, terms and conditions.
- **Award** is made and a contract number is assigned.
- **Industry Input** – MAS Helpdesk provides a source for comments and questions

# Business Model Overview

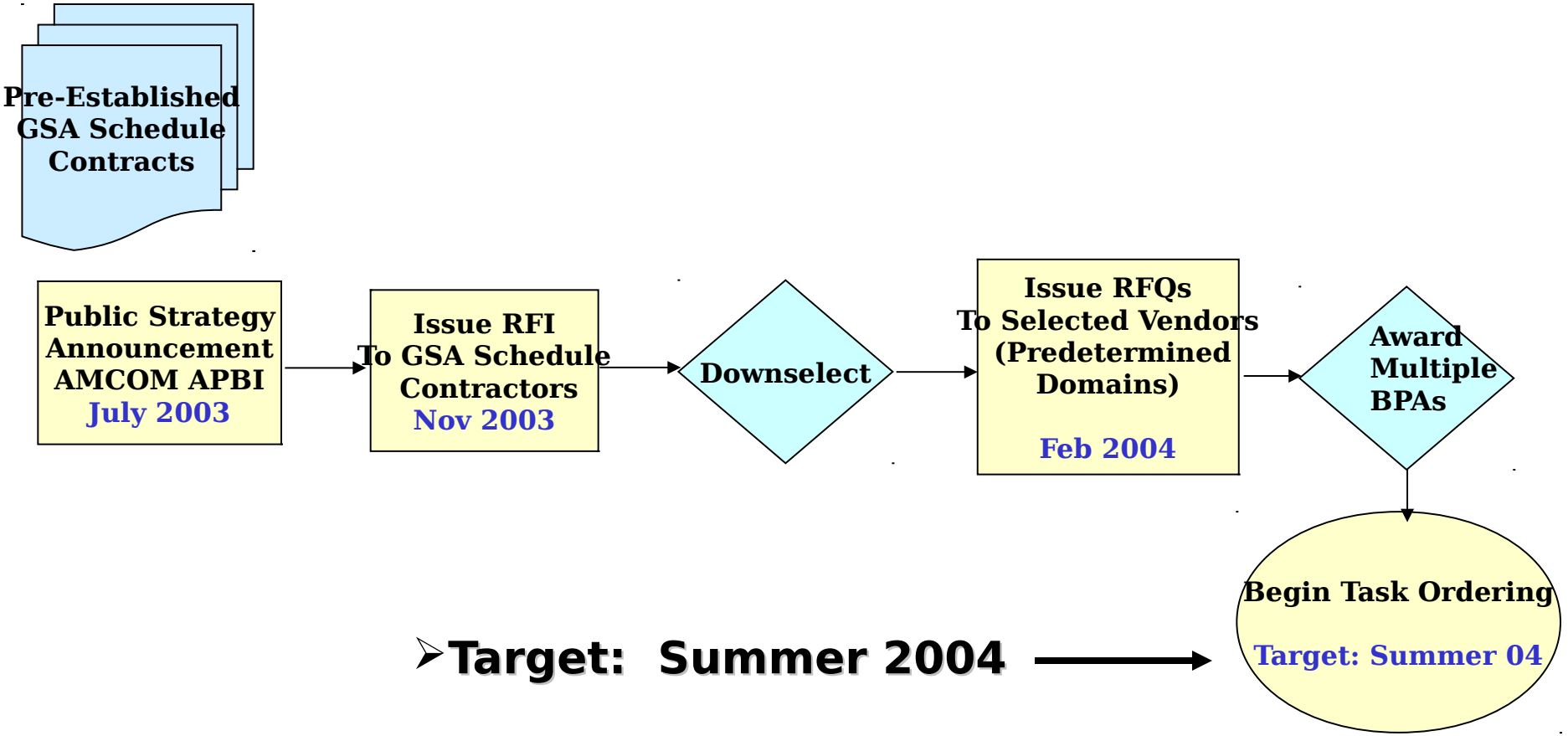



A Blanket Purchase Agreements Program Based on GSA

# Background

- February 2002
  - Acquisition Center for Support Services (ACSS) for Marine Corps Systems Command (MCSC) began groundwork to establish the Commercial Enterprise Omnibus support services (CEOss) program
  - August 2002 CEOss On-line
    - $3 billion IDIQ Business Model
    - Twenty-two Prime Vendors and One-hundred eleven Team Members
    - Utilizes sophisticated e-commerce application
- July 2003
  - U.S. Army Aviation and Missile Command (AMCOM) announces AMCOM EXPRESS

# Acquisition Process and Timeli


Pre-Established GSA Schedule Contracts
Public Strategy Announcement AMCOM APBI July 2003
Issue RFI To GSA Schedule Contractors Nov 2003
Downselect
Issue RFQs To Selected Vendors (Predetermined Domains) Feb 2004
Award Multiple BPAs
Begin Task Ordering
Target: Summer 04

- **Target: Summer 2004**

**ation of O2K Ordering Period: Oct 04 - Feb 2005**

- **Expiration of O2K Performance Periods: Apr-Aug 2005**

# Marine Corps System Command

## GSA - Providing Solutions

### Customer Requirement

- Specialty Engineering (5)
- Engineering & Scientific (3)
- Business & Analytical (8)
- Acquisition, Logistics & Admin. (6)

### Product Groups

- Combat Equipment Support Systems
- Transportation/Engineering Systems
- Armor & Fire Support
- Infantry Weapons Systems
- Battle Management & Air Defense
- Information Systems & Infrastructure

### Solution Set

- Multiple Blanket Purchase Agreements
  - 4 functional domains
  - 22 Prime Vendors
  - 111 Total Team Members

### Schedules

- GSA Schedule 69 – Training Services
- GSA Schedule 70 – IT Services and Supp
- GSA Schedule 520 – Financial/Business
- GSA Schedule 871 – Engineering Servic
- GSA Schedule 873 – Lab Testing & Analy
- GSA Schedule 874 – MOBIS
- GSA Schedule 874V - LOGWORLD
- GSA Schedule 899 – Environmental Serv

# Results of CEOss Competition

## Specialty Engineering

- **Recommend**: 5 Prime Awards
- **Avg. Team Members**: 11
- **GSA Schedules:**
  - 874 – MOBIS
  - 871 – PES
  - 899 – Environmental Services
  - 70 – IT Services & Support
  - 873 – Lab Testing & Analysis

## Business & Analytical

- **Recommend**: 3 Prime Awards
- **Avg. Team Members**: 8
- **GSA Schedules:**
  - 874 – MOBIS
  - 520 – Financial/Business
  - 69 – Training Services

## Engineering & Scientific

- **Recommend**: 8 Prime Awards
- **Avg. Team Members**: 12
- **GSA Schedules:**
  - 874 – MOBIS
  - 871 – PES
  - 70 – IT Services & Support

## Acquisition, Logistics & Admn.

- **Recommend**: 3 Prime Awards
- **Avg. Team Members**: 11
- **GSA Schedules:**
  - 874 – MOBIS
  - 874 V - LOGWORLD

- Negotiate Multiple BPA's – FAR 8.404
- Facilitate Contractor Teaming Arrangements – FAR 9.6
- Obtain Quantity/Volume Price Reductions at TO Level

# Aviation and Missile Command (Notional)

## GSA - Providing Solutions

### Programmatic

- **Recommend**: X Prime Awards
- **Avg. Team Members**: XXX
- **GSA Schedules:**
  - 871 – PES
  - 874 – MOBIS
  - Others ……?

### Logistics

- **Recommend**: X Prime Awards
- **Avg. Team Members**: XXX
- **GSA Schedules:**
  - 874V – LOGWORLD
  - 871 – PES
  - Others ……..?

**A**

**M**

**C**

**O**

**M**

### Technical

- **Recommend**: X Prime Awards
- **Avg. Team Members**: XXX
- **GSA Schedules:**
  - 871 – PES
  - 874 – MOBIS
  - 899 – Environmental Services
  - 70 – IT Services & Support
  - Others ……?

### Other Domains - ??

- Business & Analytical
- **GSA Schedules:**
  - 520 – Financial/Business
  - 69 – Training Services
  - Others ……..?

Expedited Professional & Engineering Support Services

# The Blanket Purchase Agreement

- Best Pricing For Each Order Placed
- Continual Source of Orders

- Discounting
- Volume

# BPA Basics

FAR 13.303, FAR 8.404(b)(4)

- BPA will specify
  - Scope
  - Estimated value
  - Duration
  - GSA Schedule numbers
  - Authorized Ordering Offices
  - Invoicing/billing procedures
  - Terms and conditions
  - Discount terms
  - Types of orders to be placed
  - BPA Termination

# BPA Approach

- Define Customer Requirements for Services
- Establish Domains that reflect technical and business requirements
- Estimate Annual Activity/Business Volume
- Align Requirements Under Applicable Schedules
- Issue Request For Quotes (RFQ)
- Issue BPA’s to Multiple Technically Qualified Contractors
- Task Orders Competed Among Prime/Team Lead BPA Holders
- Best Value Source Selection Criteria

# Technical Performance

- Prime/Team Lead is responsible for task order execution and coordination of team resources

- Prime/Team Lead is responsible for all personnel resources, performance quality, and deliverables associated with the task order.

# Annual BPA Holder Assessment (Open Season)

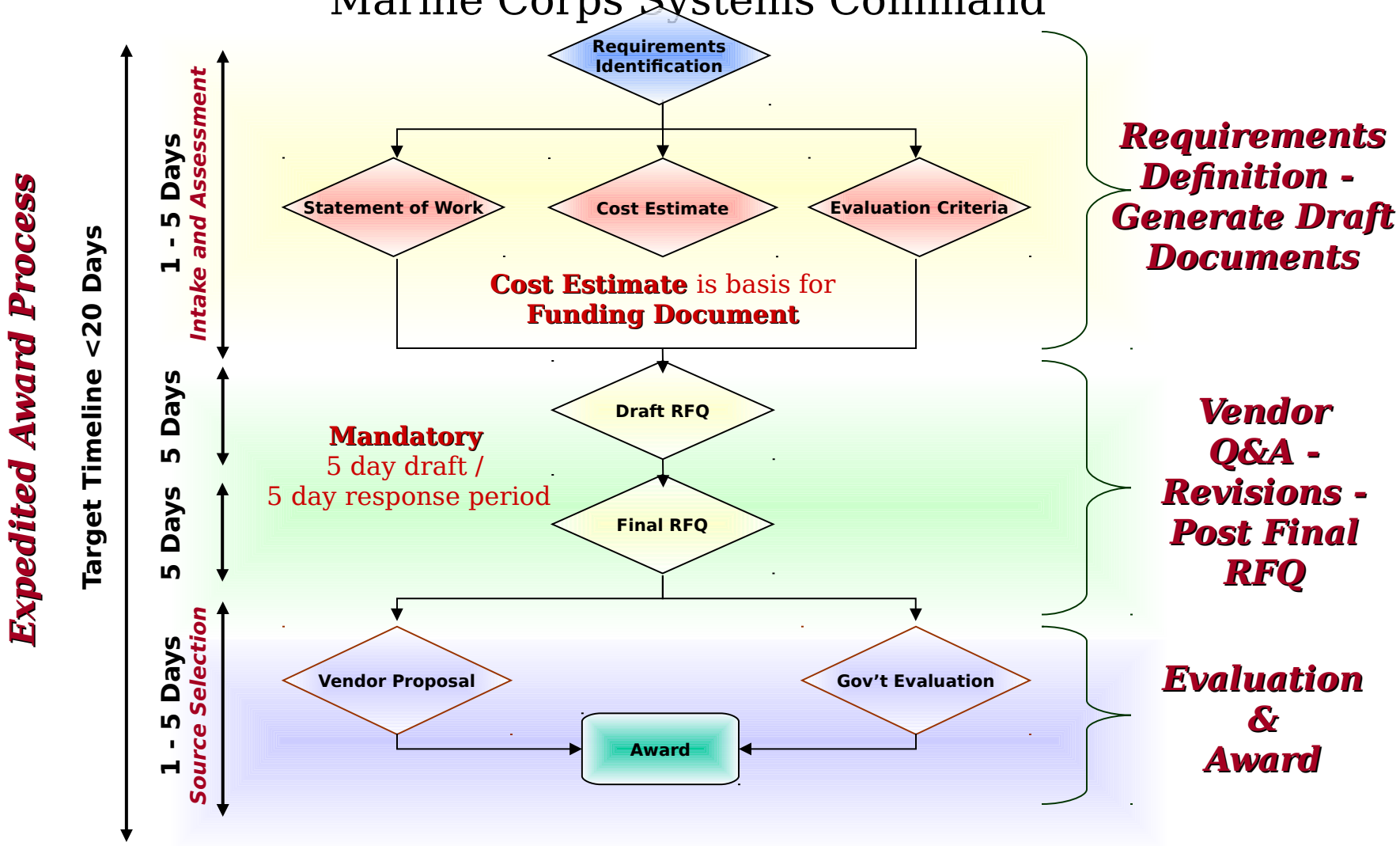
- Allows for reissue of solicitation to add new BPA holders
- Assess the quality of performance for each BPA holder

# Performance Monitoring

- Past performance is documented and used in best value determinations
  - Conformance to TO requirements
  - Standards of workmanship
  - Adherence to schedules
  - Performance administration
  - Cooperative behavior
- Dollar threshold
  - $1,000,000
  - $5,000,000 for Systems or Operational Support

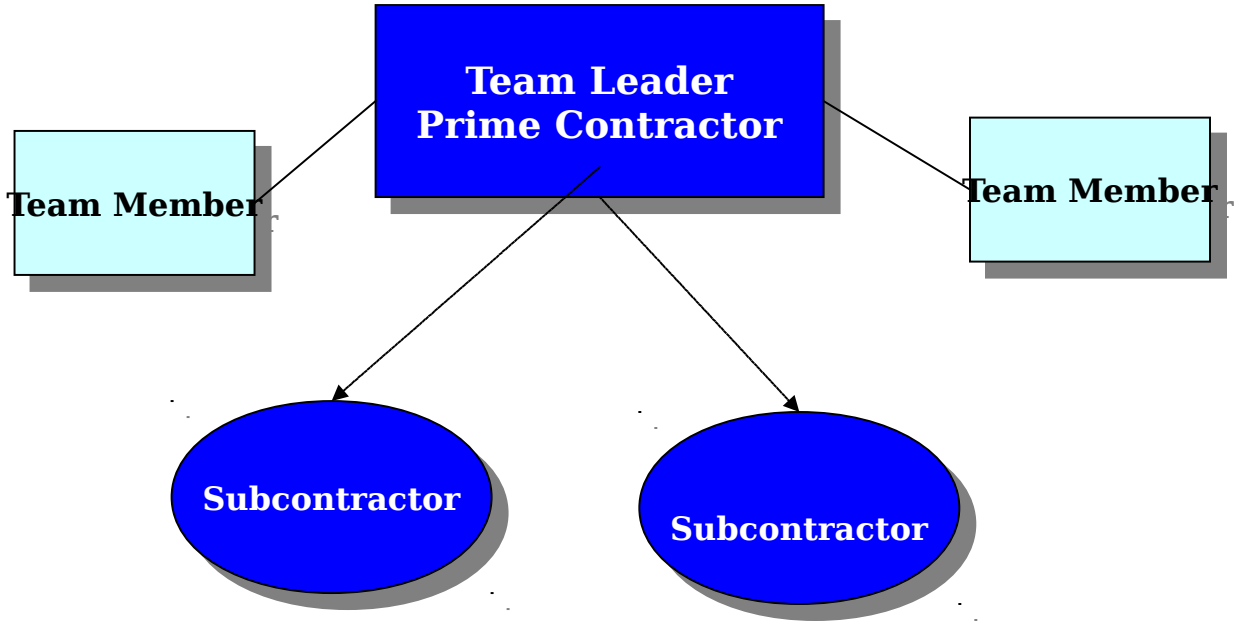
# Task Order Processing

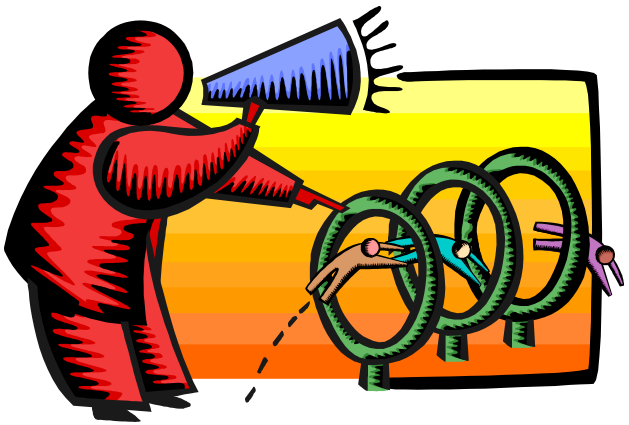
## Marine Corps Systems Command



# Teaming and Subcontractor Relationships

FAR 9.6



- Pooling of Resources
- Integrated Solutions
- Requires Teaming Agreement

# I-FSS-40 Contractor Team Arrangements (SEP 2000)

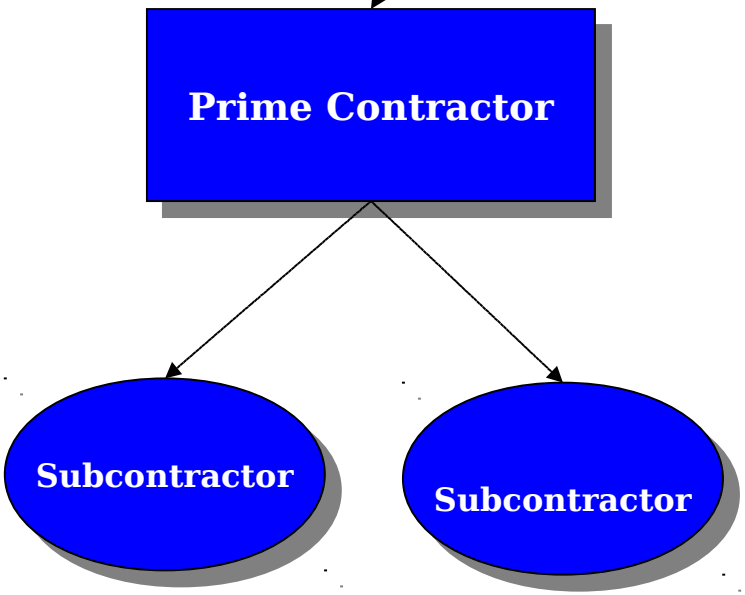
Contractors participating in contractor team arrangements must abide by all terms and conditions of their respective contracts. This includes compliance with clauses 552.238-74, Contractor Report of Sales and 552.238-76, Industrial Funding Fee, i.e., each contractor (team member) must report sales and remit for all products and services provided under its individual contract.

# Subcontractor/Teaming Arrangeme

| If… | Then… | And… |
|---|---|---|
| **Two Contractors have GSA Schedules** | You can have a Contractor Team Arrangement | One Prime Contractor will be designated as the Contractor Team Leader |
| **A Team Member has a GSA Schedule** | The Prime Contractor can propose the team member using the team member's GSA rates **OR** the Prime Contractor can map the team member into it's own GSA Rates | May not add additional fee to the team member's rates above the Prime's Schedule rates. Any discount passed to the Prime by the team member can be retained by the Prime or passed in whole or in part to the Government |
| **A Subcontractor doesn't have a GSA Schedule** | The Prime Contractor can map the Subcontractor into it's own GSA rates **OR** | Follow the procedures outlined above.<br><br>Up to, but not to exceed |

# Prime/Sub Relationship

BPA Orders Must Be Issued to Prime

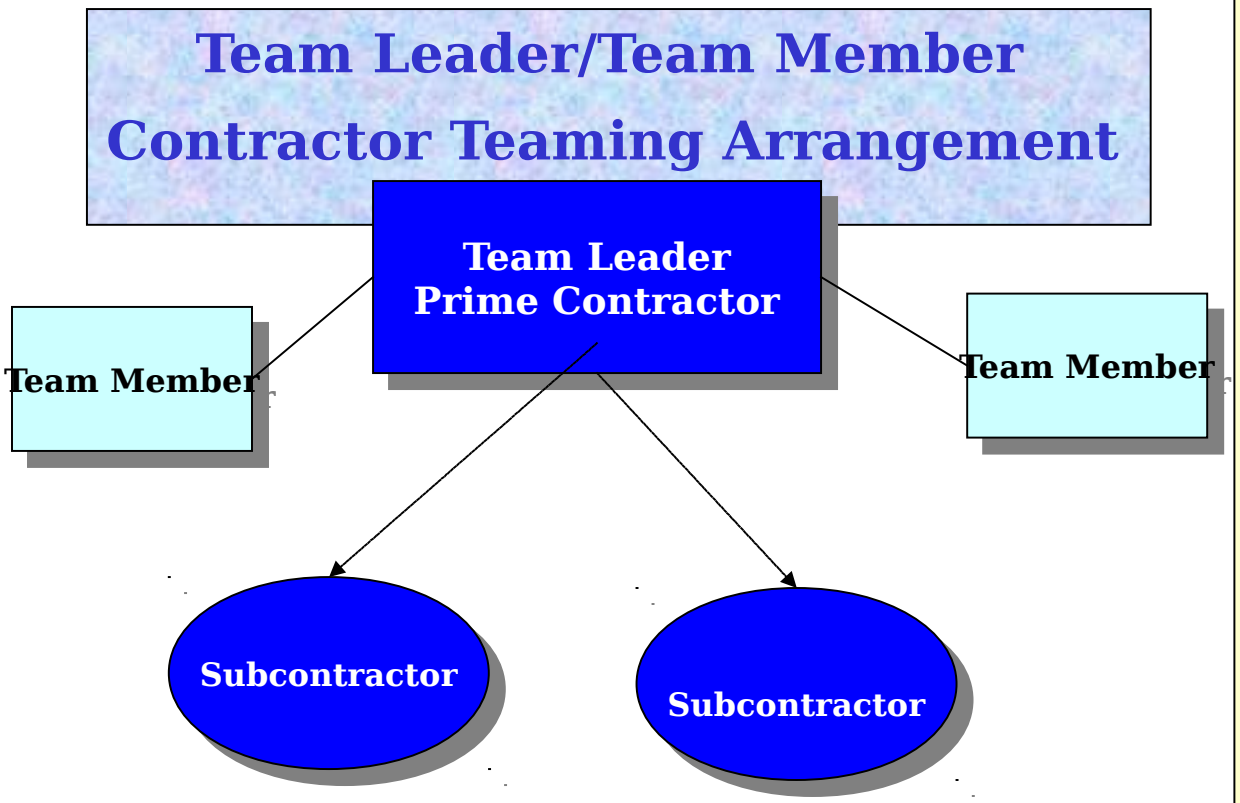



**Typical Prime/Sub Relationship**

- **Prime contractor must hold a GSA Schedule**
- **Subcontractors Perform to *Prime's* GSA Schedule Rates**
- **BPA and Task Orders are issued to prime contractor**

***Note: AMCOM Receives SB Credit based on Prime's size***

# ontractor Teaming Arrangements




- Team Leaders and Team Members must hold a GSA Schedule
- Contractor Teams are issued one BPA
- Task Orders may include Leader, Team Member and Subcontractor Effort
- Teams may propose that Task Orders be issued to Team Leader -or- directly to a Team Member

Team Leaders and Team Members use their GSA Schedule Rates
Subcontractors may be mapped to Prime Contractor's GSA Schedule

# Applicable GSA Schedules

- Professional Engineering Services (P
- Logistics Worldwide (LOGWORLD)
- Management Organization and Busir Improvement Services (MOBIS)
- Information Technology
- Corporate

# Logistics Worldwide (LOGWORLD) Schedule 874V

**NAICS 541614 - $6M**
**Process, Physical Distribution & Logistics Consulting Services**

| | |
|---|---|
| 874-501 | Supply and Value Chain Management Services |
| 874-502 | Acquisition Logistics |
| 874-503 | Distribution and Transportation Logistics Services |
| 874-504 | Deployment Logistics Services |
| 874-505 | Logistics Training Services |
| 874-506 | Support Products |
| 874-599 | Introduction of New Services |

**NAICS 561210 - $23M**
**Base Maintenance (13)**

| | |
|---|---|
| 874-507 | Operations & Maintenance Logistics Management and Support Services |

Note:
*Only a single NAICS will apply at tim
of contract award.
*Preponderance of estimated average
sales will be designated as the single
for contract award.

# Professional Engineering Services (PES)
# Schedule 871

**NAICS 541330 – Engineering Services - $4.0M/$23M (military)**

**NAICS 541710 – Commercial Physical & Biological Research – 500 Employees (11)**
**For Aircraft – 1,500 Employees**
**For Aircraft Parts – 1,000 Employees**
**For Space & Guided Missiles – 1,000 Employees**

871-1 Strategic Planning for Technology Programs/Activities

871-2 Concept, Development and Requirements Analysis

871-3 Systems Design, Engineering and Integration

871-4 Test and Evaluation

# Management, Organization, and Business Improvement Services (MOBIS) Schedule 874

**NAICS 541611 – 500 Employees**

**Administrative Management and General Management Consulting Services**

874-1 Consultation Services

874-2 Facilitation Services

874-3 Survey Services

874-4 Training Services

874-5 Support Products

874-6 Privatization Support Services and Documentation (A-76)

874-7 Program Integration and Project Management Services

874-8 Alternative Dispute Resolution (ADR) Services

# General Purpose Commercial Information Technology Equipment, Software, and Services – Schedule 70

| SIN's | Description |
|---|---|
| 132-3 | Leasing of Products |
| 132-4 | Daily/Short Term Rental |
| 132-8 | Purchase of Equipment-Subject to Cooperative Purchasing |
| 132-12 | Equipment Maintenance-Subject to Cooperative Purchasing |
| 132-32 | Term Software License-Subject to Cooperative Purchasing |
| 132-33 | Perpetual Software License-Subject to Cooperative Purchasing |
| 132-34 | Software Maintenance-Subject to Cooperative Purchasing |
| 132-50 | Classroom Training-Subject to Cooperative Purchasing |
| 132-51 | Information Technology Services-Subject to Cooperative Purchasing |

Multiple NAICS: 500 – 1,500 Employees or $6M - $

# Corporate Schedule

Corporate Schedule Number: 00CORP

Related Special Item Number:

CR499 (MOBIS)-Schedule 874

CR706 (LOGWORLD)-Schedule 874V

CR425 (PES)-Schedule 871

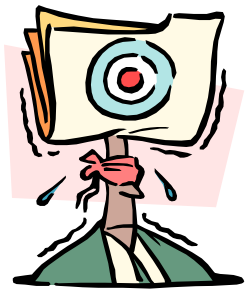
CD300 Series (Information Technology)Schedule 70

*Each Corporate SIN has own corresponding NAIC Code depending on what was awarded*

# Useful Websites

- fss.gsa.gov
- fss.gsa.gov/schedules
- fss.gsa.gov/elibrary
- fedbizzopps.gov
- vsc.fss.gsa.gov
- www.gsaadvantage
- fss.gsa.gov/umas
- www.proc.redstone.army.mil/acquisition/omnibus2/

- GSA Acquisition Center's are here to help our Industry
  - Expediting Offers
  - Contract Modifications
  - Schedule-level Contractual Issues



Questions?

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